

February 1, 1944

Mr. Michael F. McCue
Secretary, Chamber of Commerce and Mines
Douglas, Arizona

LAW LIBRARY
ARIZONA ATTORNEY GENERAL

Dear Mr. McCue:

We have your letter of January 31, in which you ask whether the building owned by the Chamber of Commerce is exempt from taxation.

Section 2 of Article 9 of the State Constitution grants exemption from taxation in certain cases. Said Section reads in part as follows:

"That there shall be exempt from taxation all Federal, State, County, and Municipal property. Property of educational, charitable, and religious associations or institutions, not used or held for profit may be exempted from taxation by law. * * * All property in the State not exempt under the laws of the United States, or under this Constitution, or exempt by law under the provisions of this Section shall be subject to taxation * * *."

As authorized by the second sentence in Section 2, Article 9, of the Constitution, the legislature provided that certain property is exempt from taxation. This exemption is set forth in Section 73-201 of the Code of 1939, which reads as follows:

"All property subject to taxation - Exceptions.
Nothing herein shall be construed to require or permit double taxation. All property shall be subject to taxation, except:

"1. Federal, state, county and municipal property; public debts as evidenced by the bonds of Arizona, its counties, municipalities, or other subdivisions.

"2. Public libraries, colleges, school houses, and other buildings used for education, with their furniture, libraries, and equipments, and the lands thereto appurtenant and used therewith, so long as the same shall be used for the purpose of education and not used or held for profit, but when such property is private property, from which a rent or valuable consideration is received for its use, it shall be taxed as other property.

"3. Hospitals, asylums, poor houses, and other charitable institutions for the relief of the

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indigent or afflicted, and the lands thereto appurtenant, with their fixtures and equipments, not used or held for profit; grounds and buildings belonging to agricultural societies, so long as the same shall be used for those purposes only, and not used or held for profit; churches and other buildings used for religious worship, with their furniture and equipments, and the land and improvements appurtenant thereto and used therewith, provided rent is not paid for such land or improvements, and so long as the property shall not be used or held for profit; cemeteries and graveyards set apart and used for interring the dead, except such portions thereof as are used or held for profit.

"4. The property of widows, honorably discharged soldiers, sailors, United States marines, members of revenue marine service and army nurses, residents of this state, not exceeding the amount of two thousand dollars (\$2,000), where the total assessment of such widow and such other persons named herein does not exceed five thousand dollars (\$5,000); provided, that no such exemption shall be made for such persons other than widows unless they shall have served at least sixty (60) days in the military or naval service of the United States during time of war, and shall have been residents of this State prior to January 1, 1927.

"5. Observatories maintained for astronomical research and education, for the public welfare, together with all property used in connection with their work or maintenance, including property held in trust therefor, so long as such observatories and other property shall be used for such purposes only and not used or held for profit."

You will note from reading the foregoing sections that property of Chambers of Commerce are not included in the Constitution or statute as being entitled to an exemption from taxation. Therefore under our present law the property of your Chamber of Commerce would be subject to taxation.

Yours truly

JOE CONWAY, Attorney General

EARL ANDERSON
Chief Assistant Attorney
General